Alberta

Freedom To Create. Spirit To Achieve.

Aboriginal Relations

Annual Report
2010-2011

Government of Alberta

Aboriginal Relations

Annual Report
2010-2011

CONTENTS

Preface 1

Minister's Accountability Statement 2

Message from the Minister 3

Management's Responsibility for Reporting 5

Results Analysis 7

Ministry Overview 9

Vision 9

Mission 9

Organizational Structure 9

Ministerial Relationships 10

Discussion and Analysis of Results 13

The Story of Aboriginal Relations 15

Ministry Goals 15

Aboriginal People in Alberta: Quick Facts 15

Goal 1: Support Economic and Social Development of Aboriginal Communities and People 16

Connections with First Nations People and Communities 16

Supporting Métis People and Communities 19

Leadership on Aboriginal Issues 21

Supporting Aboriginal Communities and Organizations 23

Goal 2: Alberta Meets its Constitutional and Legal Obligations Regarding Aboriginal Consultation and Land Claims 27

First Nations Consultation in Alberta 27

Land-related Negotiations 29

GeoData Mapping 30

Review Engagement Report 31

Performance Measures Results 32
Performance Measures Summary Table 32
Methodology, Data Sources and Results 32
Ministry Expenses by Function 35
Integrated Results Analysis 35
Financial Information 37
Independent Auditor's Report 40
Financial Statements 41

List of Tables

Table 1: Ministry Expenses by Function 35

List of Figures

Figure 1: Ministry of Aboriginal Relations 2010-11 Organizational Structure 11

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta contains Ministers' accountability statements, the consolidated financial statements of the Province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Aboriginal Relations contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry's annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2011, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 6, 2011 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[ORIGINAL SIGNED BY]

Len Webber
Minister of Aboriginal Relations

Message from the Minister

It was another outstanding year for the Ministry of Aboriginal Relations. Thanks to the support and contribution of our dedicated staff, we continued to make significant progress on our business plan goals and strategies.

The *Protocol Agreement on Government to Government Relations* provides a strong foundation for dialogue and building relationships between elected officials of the Government of Alberta and First Nations. During the year, the Premier and I met with the Grand Chiefs and Vice Chiefs to discuss progress under the Agreement. Ministers, Grand Chiefs and Vice Chiefs also met three times during the year.

The First Nations Development Fund (FNDF) is an excellent source of funding for First Nations economic and community development projects. In 2010-2011, the FNDF Grant Program paid over $102 million, supporting nearly 200 projects in First Nations communities across Alberta.

Aboriginal economic development remains a top priority. The Ministry continued to facilitate Aboriginal economic partnerships with industry, strengthen economic capacity and provide entrepreneurial support under the First Nations Economic Partnerships Initiative. Five years of investment has resulted in more than 100 new projects in First Nations communities.

The year also saw continuing work under two key agreements with representatives of the 85,500 Métis people of Alberta, the largest Métis population in the country.

Under the *Alberta-Métis Nation of Alberta Association Framework Agreement*, partners continued working together to enhance the economic and community well-being of Métis people in Alberta. In 2010-11, funding under the Agreement enabled the Métis Nation of Alberta Association (MNAA) to participate in formal government engagement processes, and to participate in initiatives with the government, including the First Nations, Métis and Inuit (FNMI) Education Partnership Council.

In 2010-11, the Government of Alberta and the Metis Settlements General Council implemented the final year of an $18 million, three-year Interim Funding Agreement to support ongoing efforts that are focused on effective governance, enhanced accountability and sustainability for the province's eight Metis Settlements.

To help address the needs of Alberta's rapidly growing urban Aboriginal population, the Ministry enhanced its funding support to Friendship Centres. We continue to work closely with Friendship Centres, whose efforts are essential to improving the quality of life for Aboriginal people living in urban centres across Alberta.

The Ministry has a vital role in collaborative efforts to enhance Aboriginal education. Through the FNMI Education Partnership Council, the Ministry worked with the Ministry of Education, Aboriginal organizations and other partners on a plan to guide the future direction of FNMI education in Alberta. Together with the Government of Canada and the Assembly of Treaty Chiefs of Alberta, the Ministries of Aboriginal Relations and Education made important progress under the *Memorandum of Understanding on First Nations Education*. Improving Aboriginal education outcomes was also a focus of discussions at the Aboriginal Affairs Working Group, which is comprised of provincial and territorial ministers of Aboriginal relations and the leaders of the five national Aboriginal organizations.

The Ministry moved towards completing a review of Alberta's *First Nations Consultation Policy on Land Management and Resource Development*. Progress in 2010-11 included focused engagement with First Nations', industry and municipal representatives, and continued funding to support First Nations' participation in the review process.

After years of negotiations between Canada, Alberta and the Bigstone Cree Nation, the Agreements respecting the Bigstone Cree Nation treaty land entitlement (TLE) were finalized in 2010. The Canada - Alberta Agreement respecting the Bigstone Cree Nation TLE was approved by the Alberta Cabinet in July 2010 and signed by the federal government in December 2010. The conclusion of the Bigstone land claim was the largest TLE settlement in Alberta. The Bigstone Cree Nation and the new Peerless Trout First Nation are now positioned to create new business opportunities that will benefit their communities and Alberta's competitiveness.

In the coming year, the Ministry will continue to lead the development of government-wide policies, strategies and partnerships with Aboriginal organizations, governments and industry — all in support of healthy, vibrant Aboriginal people and communities, fully participating in a prosperous, competitive and diverse Alberta.

[ORIGINAL SIGNED BY]

Len Webber
Minister of Aboriginal Relations

June 6, 2011

Management's Responsibility for Reporting

The executives within the Ministry have the primary responsibility and accountability for the Ministry. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Aboriginal Relations. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and the sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and Enterprise and the Minister of Aboriginal Relations information needed to fulfill their responsibilities; and

- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

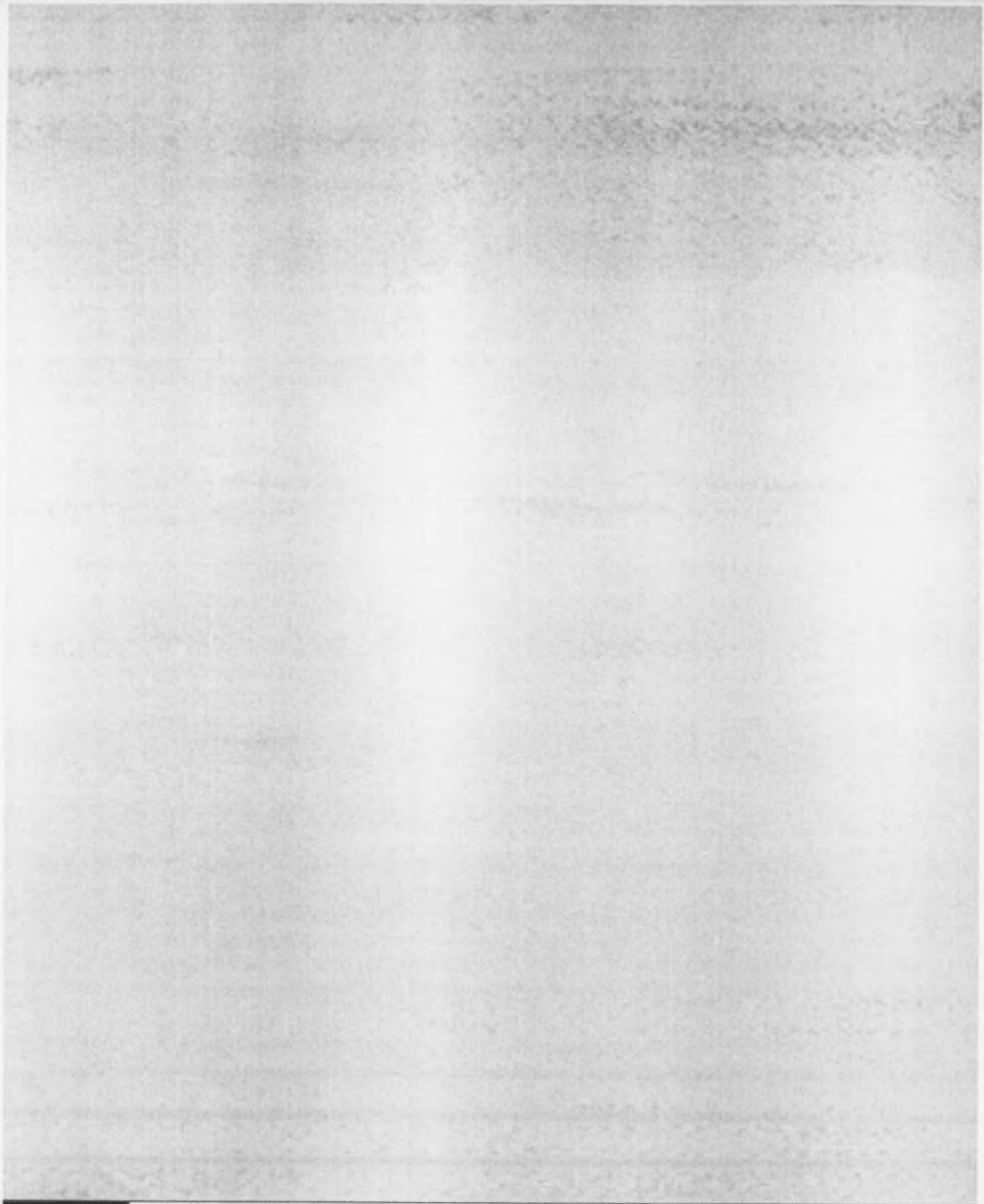
In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executives within the Ministry.

[ORIGINAL SIGNED BY]

Maria David-Evans
Deputy Minister
Aboriginal Relations

June 6, 2011

RESULTS ANALYSIS



Ministry Overview

Vision

Strong and vibrant Aboriginal communities and people, fully participating in the opportunities of a prosperous and diverse Alberta.

Mission

Oversee the development and alignment of Government of Alberta legislation, policies and initiatives that affect Aboriginal people and their rights, by building effective relationships with Aboriginal communities, industry and governments.

Organizational Structure

The Ministry's organizational structure is outlined in Figure 1.

Ministry Divisions

The Ministry includes two operational divisions and two supporting divisions. Corporate services are shared with the Ministry of International and Intergovernmental Relations. The responsibilities of the divisions are as follows:

First Nations and Métis Relations

Leads Alberta's relations with First Nations and Métis communities and supports government-to-government relationships with Treaty Grand Chiefs and Metis Settlements. The division also coordinates the province's relationship with the Metis Settlements General Council and the Métis Nation of Alberta Association, and administers Alberta's unique Metis Settlements legislation. It also supports economic partnerships and promotes the well-being of Aboriginal people.

Consultation and Land Claims

Coordinates provincial government activities regarding land initiatives related to First Nations consultation on land management and resource development and administers the First Nations Consultation Capacity Investment Program. The division also manages provincial land claims obligations under the Natural Resources Transfer Agreement.

Policy and Planning

Supports all sections of the Ministry in the development of recommendations regarding major policy issues and oversees implementation of the Aboriginal Policy Framework. The division also leads corporate planning and ministry participation in federal/provincial/territorial relations on Aboriginal matters.

Communications

Provides strategic communications planning and advice, issues management, media monitoring and media relations, advertising and responses to public enquiries.

Corporate Services

Provides support services, including financial services, information management, information technology, administrative services and freedom of information and protection of privacy. The division includes Human Resources Services, which provides staffing-related services, including employee recruitment, human resource planning, and employee attraction, retention and development.

Ministerial Relationships

The Ministry also supports the *Protocol Agreement on Government to Government Relations*, the Metis Settlements Appeal Tribunal and the Office of the Metis Settlements Ombudsman.

Protocol Agreement on Government to Government Relations

Signed by the Premier, the Minister of Aboriginal Relations and the Grand Chiefs of Treaties 6, 7 and 8 in 2008, the *Protocol Agreement on Government to Government Relations* recognizes the importance of effective relationships between the Government of Alberta and First Nations and provides regular opportunities for engagement between elected officials.

Metis Settlements Appeal Tribunal

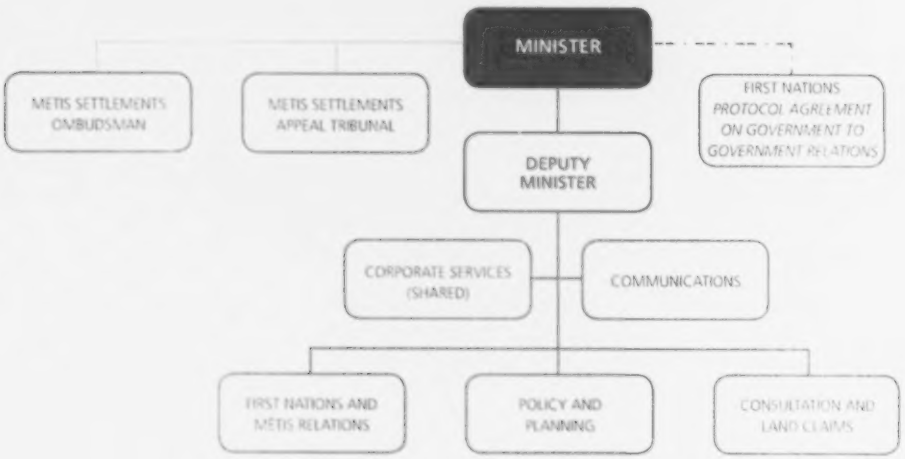
The Metis Settlements Appeal Tribunal (MSAT) is a quasi-judicial body established by the *Metis Settlements Act* that promotes self-governance, certainty and respect within the Metis Settlements through adjudications, mediation and education. The chair of MSAT has a reporting function to the Minister of Aboriginal Relations. Administrative support and staffing are provided by the Ministry.

Office of the Metis Settlements Ombudsman

The Office of the Metis Settlement Ombudsman (MSO) is an independent structure with delegated ministerial authority through government regulation. The MSO promotes the rights and responsibilities of Metis Settlement Councils, staff, entities and members through inspections, investigations and recommendations.

NOTE: Alberta does not accent "Metis" when associated with Settlements legislation.

FIGURE 1 » MINISTRY OF ABORIGINAL RELATIONS 2010-11 ORGANIZATIONAL STRUCTURE



——— Independent components
- – – - Relationship

DISCUSSION AND ANALYSIS OF RESULTS

The Story of Aboriginal Relations

The story of Aboriginal Relations is one of leadership and relationships. It is a story of bringing partners together at a common table—in support of a common vision. It is about acting as a catalyst for positive change and working collaboratively to ensure that important responsibilities and obligations are fulfilled.

Aboriginal Relations leads the development and alignment of Government of Alberta legislation, policies and initiatives that affect Aboriginal people and their rights. The Ministry builds, maintains and facilitates relationships with Aboriginal communities and leaders, other ministries and governments, industry and other partners to strengthen social and economic opportunities for Aboriginal people in Alberta.

In 2010-11, the Ministry conducted its business with a strong focus on supporting and enhancing the relationships that are the foundation for building strong Aboriginal communities. As in previous years, the work of the Ministry supported and recognized the importance of Aboriginal people in the cultural heritage of the province and in Alberta's continuing economic prosperity.

Ministry Goals

The Ministry supports its vision and mission by working towards two goals:

Goal 1: Support economic and social development of Aboriginal communities and people; and

Goal 2: Alberta meets its constitutional and legal obligations regarding Aboriginal consultation and land claims.

In 2010-11, the Ministry continued to make significant progress towards each goal, as described in the following sections of this report.

Aboriginal People in Alberta: Quick Facts

"Aboriginal people" is a collective name for the original people of North America and their descendants. The Canadian constitution recognizes three groups of Aboriginal people: Indian (First Nations), Métis and Inuit. These are three distinct peoples with unique histories, languages, cultural practices and spiritual beliefs.

- Alberta's Aboriginal ancestry population is close to 250,000 and increased 23% in five years (2001-2006)[1].
- Alberta is home to Canada's third-largest Aboriginal identity population, the majority (63%) living in urban areas[2].
- Alberta has one of the youngest Aboriginal populations in the country. Almost a third (31%) of the province's Aboriginal population is under 14 years of age, compared to 19% of the non-Aboriginal population[2].
- There are 48 First Nations and 136 reserves covering three Treaty areas in Alberta: Treaty 6 (central), Treaty 7 (south), and Treaty 8 (north).
- Alberta's Metis population was 84,495 in 2006. This is the largest Métis population in Canada[2].
- There are eight Metis Settlements in Alberta, comprising 512,121 hectares (1.25 million acres). This is the only recognized Métis land base in Canada.
- In June 2009, a total of 8,106 people were members of Alberta's Metis Settlements[3].

Sources:
[1] Statistics Canada, 2001 and 2006 Censuses of Canada.
[2] Statistics Canada, 2006 Census of Canada.
[3] Alberta Municipal Affairs, 2010 Official Population List.

Goal 1: Support economic and social development of Aboriginal communities and people

The Ministry implements initiatives to develop strategic economic partnerships among Aboriginal communities, industry and educational institutions; provides advice and specialized knowledge to provincial and federal departments, municipal governments and industry; and leads or participates in cross-ministry strategies affecting Aboriginal people. These activities serve to establish effective relationships, legislation, policies and initiatives that contribute to strong and vibrant Aboriginal communities and people.

Connections with First Nations People and Communities

First Nations Relationships: Protocol Agreement on Government to Government Relations

The Ministry leads Alberta's implementation of the *Protocol Agreement on Government to Government Relations* with First Nations. Over the year, there were four meetings under the Agreement: two among Ministers, Grand Chiefs and Vice-Chiefs (April 12 and November 30, 2010); one among the Premier, the Minister, Grand Chiefs and Vice-Chiefs (June 14, 2010); and one among Ministers whose departments engage in land- and resource-related activities, Grand Chiefs and Vice-Chiefs (March 21, 2011).

Historic Agreement

In May 2008, the Premier, the Minister of Aboriginal Relations and the Grand Chiefs and Vice-Chiefs of Treaties 6, 7 and 8 signed an agreement establishing a framework for future relations. The Protocol Agreement on Government to Government Relations outlines processes for First Nation leaders and elected provincial representatives to maintain effective relations.

Since 2008, the Agreement has expanded from its original focus on consultation and land use to become a forum for addressing other priorities. Among the issues discussed during the 2010-11 meetings were First Nations children and youth, Alberta's First Nations Consultation Policy review and First Nations education.

A Brighter Future for Young Learners: MOU on First Nations Education

In 2010-11, there was positive progress in implementing the tripartite (provincial-First Nations-federal) Memorandum of Understanding (MOU) on First Nations Education.

MOU on First Nations Education

Signed in February 2010, the MOU is intended to improve education outcomes for First Nations students. It is a long-term framework for collaboration among the parties to address education-related issues such as parental and community engagement, Treaty and cultural awareness, and tuition and education service agreements. The MOU began at the Protocol Agreement on Government to Government Relations table and supports its goals.

During the year, progress under the MOU on First Nations Education included:

- Creation of the First Nations Education Circle, composed of senior officials from all parties, to oversee implementation of the MOU;
- Development of a work plan for establishing an Indigenous Knowledge and Wisdom Centre (IKWC);
- Development of a comprehensive MOU implementation framework;
- Information sessions in First Nation communities and at provincial and First Nation education forums to raise awareness about the MOU;
- Development and distribution of an MOU newsletter; and
- The first annual meeting of elected officials from the three parties, held January 2011, where the implementation framework was approved.

Senior officials from the three parties directed the MOU Working Group to begin focusing on four priorities:

1. Begin to establish the IKWC.
2. Undertake a comparative funding analysis.
3. Continue work to identify issues related to tuition agreements.
4. Develop a data sharing protocol.

Development of the IKWC, which is at the conceptual stage, is being led by First Nations. First Nations established an IKWC sub-table in 2010-11, which includes experts, Elders and First Nation community members. Indian and Northern Affairs Canada (INAC) will support First Nations in establishing the IKWC and has committed to supporting the development of work plans and strategies contemplated by the MOU. Alberta will provide assistance and expertise in areas such as data collection and management and curriculum and resource development.

MOU on Children and Youth

Among the discussions at the April 2010 Protocol Agreement meeting was the possibility of a tripartite (federal-provincial-First Nations) MOU to improve the quality of life of First Nations children, youth and families.

Technical Support

The Protocol Agreement Planning Committee (PAPC) was established in 2009 to guide and support the Protocol Agreement process. At their June 14, 2010 meeting, the Premier, the Minister of Aboriginal Relations, the Grand Chiefs and Vice-Chiefs approved the PAPC's Year Two Work Plan. There were six PAPC meetings in 2010-11.

Building Strong Communities: First Nations Development Fund

The First Nations Development Fund (FNDF) Grant Program is an excellent source of support for First Nations' economic, social and community development projects.

In 2010-11, FNDF distributed over $102 million to First Nations to support nearly 200 community-based and community-designed programs, including land-use planning, improving on-reserve infrastructure, housing, projects engaging youth and supporting elders, and support for First Nation-owned businesses to improve employment and economic opportunities. Examples of projects supported in 2010-11 include:

- $1,017,475 for construction of a child care centre at Piikani First Nation.
- $250,000 for planning and construction of a truck stop in O'Chiese First Nation.
- $140,000 to Smith's Landing First Nation to support a traditional harvesters program and construction of a playground.

First Nations Development Fund

The FNDF is part of government's First Nations Gaming Policy. Both the Policy and the FNDF were developed and endorsed through a collaborative process with First Nations.

The Ministry of Aboriginal Relations has been administering the FNDF Grant Program since 2008. Annual results from the FNDF Grant Program are available from the Ministry's website at: http://www.aboriginal.alberta.ca/895.cfm.

How the FNDF Works

The FNDF Grant Program receives 40 per cent of the net revenue from government-owned slot machines in First Nation casinos in Alberta. Of this 40 per cent, 75 per cent is available to the five host First Nations who have casinos, and 25 per cent is shared among the other First Nations in Alberta. Of the 25 per cent going to First Nations that do not have casinos, half is divided equally among the other eligible First Nations; the other half is divided according to First Nation population figures.

Facilitating First Nations Economic Partnerships

The Ministry facilitates Aboriginal partnerships, strengthens economic capacity and provides entrepreneurial support under the First Nations Economic Partnerships Initiative (FNEPI). Five years of investment has built new capacities and partnerships, and laid a solid foundation for communities to continue moving forward on economic development initiatives. To date, the program has resulted in more than 100 new projects in First Nations communities.

Award-Winning Program Delivery

FNEPI's success garnered a national award from the Institute of Public Administration of Canada: the 2010 Innovative Management Award. The award recognizes government and public sector organizations that have demonstrated innovative ways of cutting across bureaucratic boundaries to address complex issues.

In partnership with Employment and Immigration, FNEPI delivers two key grant programs:

- **Strategic Economic Initiatives,** which encourages strategic and sustainable economic projects among First Nations, industry and other organizations. In 2010-11, 17 First Nations projects received funding support to meet this objective.
- **Economic Capacity Building,** which assists First Nations people and communities to develop their capacity to more fully participate in Alberta's economy. In 2010-11, 17 projects were funded through this program.

Aboriginal Relations worked throughout the year to leverage funding support with other partners, including Employment and Immigration, the federal government, other organizations and industry. FNEPI program staff helped coordinate multiple funding partners and connect project applicants with resources needed for sustainable success. They also provided hands-on support to communities to facilitate industry relationships and enhance their capacity to take part in economic opportunities.

Annual results from FNEPI are available from the Ministry website at: http://www.aboriginal.alberta.ca/877.cfm.

FNEPI Success Stories

Treaty 7 Management Corporation

Under Strategic Economic Initiatives, Treaty 7 Management Corporation received $100,000 to establish a partnership structure for an insurance industry joint venture. Bald Eagle Insurance was established in partnership with an industry presence to provide insurance and risk management services to First Nations communities. The joint venture partnership has resulted in enhanced business relationships with industry, direct employment, and training in management and operations for Treaty 7 First Nations communities.

Maskwacis Employment Centre

Economic Capacity Building provided $50,000 to Maskwacis Employment Centre in Hobbema to develop an industry engagement strategy. Intended outcomes include improved relations with employers and linking employers to a trained and reliable First Nations workforce.

Supporting Métis People and Communities

Economic Development and Well-being of Métis People

Alberta and the Métis Nation of Alberta Association (MNAA) signed a seven-year Framework Agreement in June 2008. The Agreement is a means for the Alberta government and the MNAA to work together to strengthen Métis economic and social development and well-being while helping to preserve Métis identity and cultural heritage.

In May 2010, the Ministry and the MNAA signed the Framework Funding Agreement for 2010-11. Aboriginal Relations provided approximately $1.5 million to the MNAA, contingent on the MNAA providing its deliverables, including a business plan, annual budget, audited financial statements and a report on final achievements. Also in 2010-11, the Framework Technical Committee continued its assessment of the MNAA's progress under the Framework Agreement goals.

Ministry funding provided the MNAA with the capacity to participate in significant initiatives in 2010-11, including the First Nations, Métis, and Inuit (FNMI) Education Partnership Council and engagement in the *Aboriginal Policy Framework* review. The Framework Agreement also provided a mechanism for the MNAA to develop an information-sharing agreement with Health and Wellness and to work with Employment and Immigration to revise the MNAA's Economic Development Strategic Plan.

Metis Settlements: Effective Governance, Enhanced Accountability and Sustainability

The Government of Alberta and the Metis Settlements General Council (MSGC) continued to work toward three broad objectives – effective governance, enhanced accountability and sustainability of the Settlements. In 2008, the Ministry and the MSGC signed a three-year funding agreement based on the three objectives, which is partly performance based, and includes performance measures under each objective. Progress on the performance measures is regularly assessed by the Joint Assessment Committee, which consists of representatives chosen by both parties. This committee submits a report to the Minister indicating the performance measures that have been completed and recommending what proportion of funding to be released.

The MSGC Agreement expired on March 31, 2011. Over the three-year mandate, significant progress was made on the three objectives, including:

- Establishment of a governance training program for Councillors;
- Establishment of independent reviews of Settlement business operations and financial reviews;
- Implementation of standardized reporting practices across the eight Settlements;
- Drafting of an Accountability Policy (not yet passed) which has been approved by the Technical Drafting Team;
- Establishment of land-use plans on seven Settlements;
- Implementation of cost-recovery initiatives for municipal services on five Settlements;
- Significant work on student performance and parental engagement in K-12 Education in each Settlement; and
- Opening of child care facilities on five Settlements (which has created 400 childcare spaces).

Although there is no formal funding arrangement for governance and operations between Alberta and the Metis Settlements for subsequent years, the parties intend to work together to further the progress made on these, and other, initiatives in the Agreement.

Metis Settlements Policing

The Ministry continued to support a three-year pilot project to fund five enhanced RCMP positions to work with Alberta's eight Metis Settlements. The Ministry is providing more than $2 million over three years for this initiative. The officers work with Settlements on police priorities identified by the communities. A progress report submitted to the Ministry by the MSGC in summer 2010 described positive overall results, including an increased awareness of traffic safety issues, better narcotics prevention and more youth involvement in prevention programs.

Metis Settlements Appeal Tribunal

In December 2010, the Minister, jointly with the Metis Settlements General Council (MSGC), appointed new members to the Metis Settlements Appeal Tribunal (MSAT). MSAT deals with land, membership and surface access disputes. It may also resolve other matters as called for in MSGC policies and local Settlement by-laws.

MSAT is an independent, quasi-judicial body established in 1990 under the *Metis Settlements Act*.

Further information on MSAT can be found in the MSAT Annual Report, which is posted on the MSAT website at: http://www.msat.gov.ab.ca/publications/.

New Metis Settlements Ombudsman

On November 5, 2010, the Minister appointed Harley Johnson as Metis Settlements Ombudsman (MSO). This was Mr. Johnson's second appointment as MSO. After serving as provincial Ombudsman from 1990-1997, he served as the first MSO from 2003 to 2007.

Under the authority of the *Metis Settlements Act*, the Minister of Aboriginal Relations appoints the MSO and delegates him/her to hear complaints, appoint inspectors and investigators, and make recommendations as needed.

Established in 2003, the MSO is an independent office that investigates concerns Metis Settlement members may have about the management or leadership of a Metis Settlement.

The MSO produces an annual report, which is available on the MSO website at: http://www.metisombudsman.ab.ca/reports.htm.

Métis Economic Development Symposium

The Ministry encouraged participation of the MSGC and the MNAA representatives in the 2011 Métis Economic Development Symposium, held January 20-21, 2011 in Vancouver. The symposium, hosted by the federal government, was an important opportunity to highlight the Ministry's support of economic development in Métis communities.

Leadership on Aboriginal Issues

Aboriginal Relations continued to provide support, specialized knowledge and advice in the development and implementation of cross-ministry education, social and health initiatives. This involvement ensures that the needs and perspectives of Aboriginal people are reflected in government policies, programs and services.

The Aboriginal Policy Framework

In 2010-11, the Ministry began its review of Alberta's *Aboriginal Policy Framework (APF)*. The *APF* outlines the government-wide approach to Aboriginal relations. The review will ensure the *APF* continues to reflect the relationships, roles and responsibilities of all orders of governments as we work together to improve social and economic opportunities for Aboriginal people.

Aboriginal Relations has engaged Aboriginal organizations to provide input for the review. Feedback from Aboriginal groups will be an important part of developing a renewed overall provincial policy framework, under which provincial policy, programs and services can be developed and successfully implemented.

First Nations, Métis and Inuit Workforce Planning Initiative

The Ministry is committed to working with Aboriginal governments and organizations to increase opportunities for First Nations, Métis and Inuit (FNMI) people to participate in the provincial economy. FNMI participation in the workforce will strengthen Alberta's competitiveness and enable Aboriginal people to build stronger links to the workforce and economy.

Under the FNMI Workforce Planning Initiative, an MLA Committee was established to engage Aboriginal leadership and other stakeholders across the province in discussions about Aboriginal workforce participation and economic development. The MLA Committee conducted its work from 2008 to 2010 and in 2010-11, submitted its final report to the Ministers of Aboriginal Relations and Employment and Immigration. The Ministers worked with nine other ministries to develop a provincial government response to the report's recommendations.

Aboriginal Affairs Working Group

The Aboriginal Affairs Working Group (AAWG) continued as a forum for addressing issues at a national level. The AAWG was established in 2009-10 at the request of Premiers at the Council of the Federation. It is composed of provincial and territorial Aboriginal Affairs ministers and the five National Aboriginal Organizations (Assembly of First Nations, Congress of Aboriginal Peoples, Inuit Tapiriit Kanatami, Métis National Council and Native Women's Association of Canada).

The goal of the AAWG is to ensure a coordinated national approach to closing the socio-economic gap which divides First Nations, Métis and Inuit peoples and other Canadians.

In 2010-11, Premiers accepted the AAWG's recommendation that their work in the immediate future focus on closing the education gap, closing the income gap and ending violence against Aboriginal women and girls.

Fetal Alcohol Spectrum Disorder (FASD) Cross Ministry Committee

This initiative includes implementation of Alberta's FASD 10-Year Strategic Plan to provide services in the areas of awareness and prevention, assessment and diagnosis, and supports for individuals and caregivers. All services and activities are built on a foundation of stakeholder engagement. Aboriginal Relations continued to create opportunities to fully engage Aboriginal communities in helping individuals living with FASD and their families/caregivers.

Prevention of Family Violence and Bullying Initiative

This initiative works to reduce family violence and bullying and promote strong and vibrant communities. During the year, Aboriginal Relations participated in a review of the initiative's 10-Year Plan, provided ongoing advice to support the engagement of Aboriginal communities and organizations, and contributed to improved coordination of existing services and supports to make the system more accessible and easier to navigate.

Municipal Grants Re-engineering Initiative

Municipal grant funding is a critical component of provincial government funding to Metis Settlements. The Re-engineering Initiative focused on making it easier for Metis Settlements and other local governments to apply for funding, including an information session to help orient Settlement representatives on the programs for which they are eligible for funding. Municipal grants reports on Metis Settlements are now publicly available on the Municipal Grants Web Portal on the Municipal Affairs website.

Supporting Aboriginal Communities and Organizations

Strong and Safe Communities

Aboriginal Relations is an active member of Alberta's Safe Communities Secretariat (SafeCom), a partnership of nine ministries led by Justice. Through SafeCom, Aboriginal Relations works with other ministries, public safety partners and Aboriginal communities and organizations to promote safer communities. Activities include supporting the development of the Alberta Crime Prevention Framework and the Alberta Gang Reduction Strategy (adopted in 2010-11) and participating on the Safe Communities Innovation Fund (SCIF) review committee.

Safe Communities Innovation Fund Grants

Aboriginal Relations assisted Aboriginal communities and organizations to develop proposals for SCIF grant funding. SCIF grants support three-year community crime prevention projects that are grounded in evidence-based models and practices. These projects address issues such as domestic violence, addictions and mental health. In 2010-11, 14 SCIF-supported projects were implemented, addressing the needs of Aboriginal people, families and communities. These projects received investments totalling more than $8.5 million from SCIF.

Youth Justice Committee Conference

Aboriginal Relations joined Solicitor General and Public Security in providing funding support to the 10th Annual Youth Justice Committee Conference held in October 2010. Youth Justice Committee members and other partners from across Alberta shared information and strategies for supporting youth who are involved or at risk of becoming involved in the criminal justice system.

Aboriginal Community Crime Prevention Projects

- Maskwacis Family Violence Unit – Hobbema
- Domestic Violence Response Unit – High Level
- Enhancing Safe, Diverse Communities through Cultural Community Groups – City of Edmonton
- Hope Foundation of Alberta – Reclaiming our Youth with Hope: A Hope-Focused Service-Learning Project – Hobbema
- Kainai Community Corrections Society – Power Youth Initiative – Blood Tribe
- Alberta Conflict Transformation – Southeast Division Restorative Justice Project – Edmonton
- Royal Conservatory – Moocheekantamooshkawak, Fort McMurray and Fort McKay
- Saddle Lake Community Connections – Kanaweyiminan, Saddle Lake Boys and Girls Club
- Stoney Trail Wellness Centre – Crime Prevention Youth Empowerment Strategy – Eden Valley
- iHuman Youth Society – Edmonton Urban Games
- The Legacy Children's Foundation – Stoney Nation Music Factory – Morley
- The Legacy Children's Foundation – Cold Lake Music Factory – Cold Lake
- Catholic Family Service of Calgary – Alexander First Nation
- Comprehensive Community Feasibility Study and Needs Assessment on Crime Reduction – Families and Schools Together Program

(SCIF-supported projects implemented in 2010-11)

Aboriginal People in Urban Areas: Opportunities and Support

Friendship Centres

In 2010-11, Aboriginal Relations provided $757,000 to the Alberta Native Friendship Centres Association (ANFCA) and the 20 Alberta Friendship Centres. This funding supports health, employment, housing, recreation, and cultural programs for Aboriginal people in urban centres.

The Ministry enhanced its work with the ANFCA, providing an additional $300,000 in 2010-11 to support capacity-building initiatives to improve local Friendship Centre organizational and management effectiveness. This additional funding enables Friendship Centres to identify local community needs; develop a database that would allow for the identification of specific client characteristics; and undertake staff training.

Friendship Centres

Friendship centres are non-profit Aboriginal organizations providing a variety of services including health, employment and housing information, and recreation and cultural programs.

Examples of programs offered by Friendship Centres in Alberta include:
- Aboriginal Parenting (Athabasca Native Friendship Centre);
- Aboriginal Homeless Initiative (Aboriginal Friendship Centre of Calgary); and
- Oskayuk program for youth (Edson Friendship Centre).

The ANFCA is the provincial organization that provides organizational support and helps build the capacity of individual Friendship centres.

Urban Aboriginal Strategy

In 2010-11, the Ministry, in partnership with federal and municipal governments, Aboriginal organizations and other stakeholders, supported the delivery of the federal government's Urban Aboriginal Strategy (UAS). Through the UAS, the Government of Canada partners with the Aboriginal community, local organizations, municipal and provincial governments and the private sector to support projects responding to local priorities. In 2010-11, Aboriginal Relations provided $100,000 to each of the following organizations:

- Edmonton – Wicihitowin: Circle of Shared Responsibility Society;
- Calgary – City of Calgary on behalf of the Calgary Urban Aboriginal Initiative; and
- Lethbridge – Aboriginal Council of Lethbridge.

This funding supported these organizations with operational costs, including strategic planning, priority identification, and coordination of urban Aboriginal issues.

Enhancing Aboriginal Education

During the year, Aboriginal Relations supported the collaborative efforts in the province aimed at enhancing Aboriginal education. Together with Education and Advanced Education and Technology, the Ministry works with Aboriginal leadership and community representatives to support Aboriginal student achievement.

First Nations, Métis and Inuit Education Partnership Council

In October 2009, Education, Advanced Education and Technology, and Aboriginal Relations, in collaboration with the Metis Settlements General Council, the Métis Nation of Alberta and the Grand Chiefs of Treaties 6, 7 and 8, announced the establishment of an Education Partnership Council to guide the future direction of FNMI education in Alberta. The Partnership Council met twice during 2010-11—in October 2010 and March 2011.

At their October meeting, the Council approved an action plan that will focus on three priorities:

- Ensuring that Aboriginal students are ready and able to learn;
- Ensuring that the education system engages parents and families to support Aboriginal children and youth; and
- Improving teacher education.

Encouraging Aboriginal Children and Youth: IGNITE Pilot Project

The Ministry worked with IBM Canada and community partners to deliver *IGNITE* (IGNiting Interest in Technology and Engineering) camps to more than 50 elementary students in four Aboriginal communities: Fishing Lake Metis Settlement, Enoch Cree Nation, Peavine Metis Settlement and Elizabeth Metis Settlement. *IGNITE* camps provide a hands-on experience that encourages Aboriginal children and youth to stay in school and explore careers in science and technology. By increasing capacity among youth, these camps also help build the information and communications technology capacity of Aboriginal communities.

Building on Aboriginal Business Success

One of the objectives of the 2009 *Gathering for Success* international symposium on Aboriginal economic development was to build economic opportunities, capacity and tools for Aboriginal communities, businesses and people. In 2010-11, the Ministry collaborated with the Calgary Chamber of Commerce on an Aboriginal Business Policy Series. The Policy Series enabled a broad engagement of the business community in the Calgary area. It brought leading experts together with business and Aboriginal communities to discuss key policy issues.

National Aboriginal Achievement Awards

The 18th Annual National Aboriginal Achievement Awards, a nationally televised event hosted by the National Aboriginal Achievement Foundation, were held in Edmonton on March 11, 2011. Aboriginal Relations, together with four other ministries, provided funding support for the awards. Aboriginal Relations coordinated support for this event on behalf of the Government of Alberta. The awards recognized 14 recipients, including three from Alberta, for outstanding accomplishment in various disciplines.

The National Aboriginal Achievement Foundation is a national, non-profit organization that promotes the development of Aboriginal people (especially youth) and their professional advancement in Canadian society.

National Aboriginal Day

In 1996, the Government of Canada declared June 21 of every year to be National Aboriginal Day, celebrating the contributions of Aboriginal people to Canadian society. National Aboriginal Day is celebrated across the country and the province at numerous events held on or around June 21. The Ministry hosted the Government of Alberta's National Aboriginal Day celebration at Edmonton City Centre Mall on June 16, 2010. This annual cultural showcase is one of the ways the Alberta government recognizes the important role and contribution of Aboriginal people in the province. The Ministry also provided financial support, through its grant program, to non-profit organizations across the province to hold National Aboriginal Day celebrations.

Fort Chipewyan

Aboriginal Relations continued to take an active role in the Alberta government's response to health and environmental concerns identified by First Nations and Metis leaders at Fort Chipewyan. The government approach emphasizes collaboration and building relationships with the community, Aboriginal leaders, other provincial ministries and the federal government. Together with ministries like Health and Wellness and Environment, the Ministry continues to meet with and hear the concerns of the community in an effort to find a way forward to collaboratively address community issues. Information on the Government of Alberta's work with Fort Chipewyan is available from the Ministry's website at: http://www.aboriginal.alberta.ca/fort_chipewyan.cfm.

Aboriginal Communities and Pandemic Planning

Following the pandemic (H1N1) 2009 influenza event, Aboriginal Relations established a partnership with Health and Wellness to work with Alberta Health Services and the Alberta Emergency Management Agency. The group reviewed "lessons learned" regarding emergency preparedness in Aboriginal communities, particularly Métis communities. Lessons learned aligned with the Health Quality Council of Alberta's report on Alberta's response to the 2009 pandemic event released in December 2010. The Ministry will continue to work with municipal, provincial and federal partners, together with Aboriginal communities, to support the pandemic planning process.

Goal 2: Alberta meets its constitutional and legal obligations regarding Aboriginal consultation and land claims

The Ministry has an important role to support the province's constitutional and legal obligations regarding Aboriginal people, including the settlement of Treaty land entitlement claims and the duty to consult whenever constitutional rights may be adversely affected. The review and implementation of applicable legislation, the refinement of consultation policy guidelines and continued support for the development of traditional use studies help to meet the government's responsibilities. These initiatives also contribute to economic growth and participation in the provincial economy.

First Nations Consultation in Alberta

First Nations Consultation Policy and Guidelines

The Supreme Court of Canada has determined that all governments have a legal duty to consult with First Nations where decisions may adversely impact constitutional rights. A clear and consistent consultation process that ensures First Nations' Treaty rights and traditional uses in the province are respected is important to help Alberta maintain its global competitiveness in land management and resource development. In Alberta, consultation is also part of a "good neighbour" approach to government-to-government relations aimed at understanding First Nations' interests and engaging them in matters potentially affecting these interests.

Alberta's First Nations Consultation Policy

Alberta was one of the first provinces to develop and implement a consultation policy. The Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development was introduced in 2005. Associated guidelines on how to implement the policy were released in 2006 and updated with First Nations and industry input in 2007.

Consultation Policy and Guidelines Review

During 2010-11, the Ministry continued to lead a comprehensive review of the *Government of Alberta's First Nations Consultation Policy and Guidelines*. As part of the review, First Nations provided written comments on the Consultation Policy and Guidelines. Updated guidelines are expected to follow a similar engagement process with First Nations, industry and municipal partners and be released once that process is complete.

Contribution to Alberta's Competitiveness

The First Nations Consultation Policy review will improve certainty, helping Alberta to strengthen its position as a global leader in resource development. The Policy ensures resource development is done in a way that is respectful of Treaty rights, thereby creating a more confident and predictable business environment for industry.

The Ministry also supported discussions with First Nations related to the Consultation Policy review at the meetings under the *Protocol Agreement on Government to Government Relations*. Grand Chiefs agreed to a further dialogue to be concluded in June 2011 and to be focused on issues related to delegation, triggers for consultation, consultation on governance initiatives and on-going processes for the dialogue.

Consultation Capacity

The Ministry delivers the First Nations Consultation Capacity Investment Program (FNCCIP) to help support effective consultation. One of the program's key outcomes is to create a single point of contact in each First Nation to help ensure timely consultation with project proponents.

Program funding for the FNCCIP was reduced from $6.6 million to $5 million in 2010-11 to help achieve the Alberta government's overall budgetary goals. Nonetheless, each First Nation in Alberta was offered a minimum of $80,000 in core funding. The Ministry provided grants to 45 First Nations. The FNCCIP is expected to continue to provide instrumental support to First Nations to participate in consultation.

Engagement and Cross-Ministry Coordination

Ministry staff provided advice on engaging First Nations and Métis communities regarding provincial land management initiatives, including regional planning under the *Land-use Framework* and the Multi-Use Corridor Strategy, *Water for Life*, and *Responsible Actions: A Plan for Alberta's Oil Sands*. Staff also participated in regulatory reviews, including the Regulatory Alignment and Regulatory Enhancement projects.

The Ministry engages with governments and other ministries, industry and Aboriginal communities and organizations to explore ways to increase certainty for all parties in the oil sands regions. The Ministry has been involved in meetings of the Lower Athabasca Regional Plan (LARP), a commitment under the *Land-use Framework* that applies to the oil sands region. In 2010-11, the Ministry took part in 14 LARP engagement meetings with Aboriginal communities.

Traditional Use Studies

Traditional Use Studies (TUS) funding has enabled First Nations to gather information on traditional hunting, fishing and trapping activities on public lands. TUS also helps identify significant sites such as graves, cabins, trails and spiritual or sacred places. This information helps show where Treaty rights and traditional uses may be affected by land management and resource development decisions. It is used to determine whether, and to what extent, consultation is required with First Nations in relation to a proposed project or activity.

In 2010-11, the Ministry provided more than $1.5 million to 18 First Nations to complete TUS. Since 2003-04, the Government of Alberta has provided more than $13.7 million in TUS funding to 45 First Nations and other Aboriginal organizations. The Ministry now has Information Sharing Agreements with 41 First Nations in the province. The TUS initiative was originally scheduled to end in 2009. The Ministry obtained additional funding for 2009-10 and 2010-11 in order to ensure that all First Nations in Alberta had the opportunity to participate.

Lubicon First Nation and Consultation

Due to an election dispute, the Government of Canada does not currently recognize a Lubicon Lake First Nation Chief and Council. This poses challenges for Alberta and industry to consult with the First Nation. In 2010-11, Aboriginal Relations developed an interim measure to help resource development companies: any consultation enquiries are to be addressed to the Lubicon band office rather than a specific chief.

Aboriginal Relations will continue to monitor the Lubicon leadership situation by working with the Government of Canada. It will also work with other provincial ministries to modify the interim directive should there be changes in the Lubicon Lake Nation's leadership situation. The Lubicon Lake Nation Notification Strategy and Government of Alberta Interim Directive are available from the Ministry's website at: http://www.aboriginal.alberta.ca/documents/Interim_Directive_and_Notification_for_Consultation_with_the_Lubicon_Nation.pdf.

Land-related Negotiations

The Canada-Alberta Agreement respecting the Bigstone Cree Nation Treaty Land Entitlement (TLE) was approved by the Alberta Cabinet on July 13, 2010, with the federal Minister of INAC executing the settlement agreements on December 13, 2010. Under the terms of the Agreement, Alberta has agreed to provide 140,000 acres of provincial Crown land including mines and minerals; $28 million; and two new elementary schools to replace the existing facilities in Peerless Lake and Trout Lake. This Agreement was the result of years of negotiations and is the largest TLE settlement in Alberta.

As part of the Bigstone negotiations, the federal government committed to create one new First Nation, namely the Peerless Trout First Nation. On May 19, 2010 the Minister of INAC signed a Ministerial Order under section 17 of the *Indian Act* constituting the new Band. The inaugural election of a Chief and Council for Peerless Trout First Nation was held on June 30, 2010.

With an approved Agreement in place, the Bigstone Cree Nation and the new Peerless Trout First Nation are positioned to create new business opportunities that will benefit their communities and Alberta's competitiveness.

Reserve lands will be set aside for the First Nations, a process that is expected to take three to five years, following the survey of reserve lands and the transfer of the administration and control of the lands and mines and minerals to the federal government.

Treaty Land Entitlement (TLE) Claims

Aboriginal Relations works with other ministries, the Government of Canada, and First Nations on land-related negotiations, including TLE claims and Specific Claims. TLE claims arise when a First Nation did not receive all of the land to which it was entitled under the terms of a Treaty. Specific claims arise when the federal government has breached obligations under the Indian Act involving administration of Indian funds or disposition of Indian land. First Nations may be legally entitled to land and/or financial compensation.

While land claims are a federal responsibility, Alberta has a constitutional obligation under the Natural Resources Transfer Agreement (Constitution Act, 1930) to transfer back to Canada unoccupied Crown lands necessary to allow Canada to settle claims with First Nations.

Alberta is recognized as a leader in working with Canada to settle land claims. Since 1986, Alberta has been involved in the successful settlement of 13 TLE claims. The settlement of land claims provides enhanced certainty for the parties involved and for industry with respect to resource development.

During the past year, Canada invited Alberta to take part in negotiations for the TLE claim submitted by the Sunchild First Nation. As a next step, Alberta is conducting research.

Also during 2010-11, a final agreement among Canada, Alberta, the Siksika Nation and the Eastern Irrigation District in the Siksika Bassano Dam Specific Claim was completed. The final agreement received Alberta Cabinet approval on September 9, 2010 and was executed by the federal government on March 22, 2011. The Siksika Bassano Dam negotiations concern a longstanding grievance related to the 1910 transfer of Siksika reserve land to the Canadian Pacific Railway for the construction of the Bassano Dam and related works.

GeoData Mapping

Identifying the geographic areas where First Nations exercise Treaty rights is an ongoing challenge in the consultation process. Knowing which First Nations to notify and consult on resource development projects is a crucial step in effective and meaningful consultation. Work is underway to develop a series of maps to show where First Nations may have an interest in being consulted on land management and resource development.

In 2010-11, Aboriginal Relations and Sustainable Resource Development continued working with First Nations to gather their input. Eighteen of the 48 Alberta First Nations have been engaged in the GeoData Mapping project.

Review Engagement Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have reviewed the performance measure identified as "Reviewed by Auditor General" in the *Ministry of Aboriginal Relations' 2010-11 Annual Report*. This performance measure is the responsibility of the Ministry and is prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of this performance measure.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measure.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measure in the Ministry's 2010-11 Annual Report is not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of this performance measure.

[ORIGINAL SIGNED BY MERWAN N. SAHER, CA]

Auditor General
May 17, 2011
Edmonton, Alberta

Performance Measures Results

Performance Measures Summary Table

	CORE BUSINESS/GOAL/ PERFORMANCE MEASURE	PRIOR YEARS' RESULTS				TARGET	CURRENT ACTUAL
		2006-07	2007-08	2008-09	2009-10		2010-11
CORE BUSINESS ONE: Aboriginal relationships, policy and initiatives							
1.	Goal: Support economic and social development of Aboriginal communities and people						
1.a	**Economic Partnerships:** Number of strategic economic initiatives and economic capacity building projects undertaken by First Nations and First Nations organizations	26	24	24	32	20	34
2.	Goal: Alberta meets its constitutional and legal obligations regarding Aboriginal consultation and land claims						
2.a	**Land Claims and Related Agreements:** Progress on the negotiation and implementation of land claims and related agreements						
	• Number of final agreements	6	5	2	2	5	5
	• Number of fully implemented agreements	11	12	15	15	15	15
2.b*	**Contacts for Consultation:** Number of First Nations with a single point of contact for consultation	35	42	40	44	40	46

* Indicates performance measures that have been reviewed by the Office of the Auditor General.

The performance measures indicated with an asterisk were selected for review by Ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives,
- Measures for which new data is available,
- Measures that have well established methodology.

Methodology, Data Sources and Results

Economic Projects

1.a Number of strategic economic initiatives and economic capacity building projects undertaken by First Nations and First Nations organizations

This new measure includes the number of projects funded through both the Strategic Economic Initiatives program and the Economic Capacity Building program. These programs support First Nations organizations, communities and people to more fully participate in Alberta's economy.

This measure is calculated based on the number of approved projects for both programs. Applicants for both programs may include First Nations, Tribal/Regional Councils, First Nations companies and organizations, or non-government organizations that directly promote economic capacity-building in First Nations. Non-First Nations applicants may also be considered where there is First Nations support.

In 2010-11, the Strategic Economic Initiatives and Economic Capacity Building programs each funded 17 projects, for a total of 34 projects. The results significantly exceeded the target due to a number of factors, including enhanced awareness and increased uptake of the program by First Nations. In addition, the Ministry established positive partnerships through direct liaison with a variety of funding partners. This enabled the programs to leverage opportunities from partners and to fund more projects than anticipated out of the existing budget.

Data Source: Aboriginal Relations – First Nations and Métis Relations Division, Aboriginal Economic Partnerships Branch.

Land Claims and Related Agreements

2.a Progress on the negotiation and implementation of land claims and related agreements

Results for this measure include progress on Treaty Land Entitlement (TLE) claims and Specific claims. TLE claims arise when a First Nation did not receive all of the land to which it was entitled under the terms of a Treaty. Specific claims arise when the federal government has breached obligations under the *Indian Act* involving administration of Indian funds or disposition of Indian land.

Progress on land claims and related agreements is reviewed at the end of the fiscal year and tallied according to whether current status falls into the categories of "final agreement" or "fully implemented." The results are cumulative; however, no agreement is counted twice. For example, if progress in negotiations advances from final agreement to full implementation, the number of final agreements declines by one, while the number of fully implemented agreements increases by one. If an agreement includes more than one First Nation, each First Nation is counted. For example, if two First Nations are party to a final agreement, then two final agreements are recorded.

During 2010-11, the Canada-Alberta Agreement respecting the Bigstone Cree Nation TLE claim was approved by the Alberta Cabinet and executed by the federal Minister of Indian and Northern Affairs Canada. The creation of a new First Nation was part of the settlement. The Peerless Trout First Nation was constituted under the *Indian Act* in May 2010 and the first election of Chief and Council was held in June 2010.

Also in 2010-11, a final agreement in the Siksika Bassano Dam Specific claim was ratified by the Siksika First Nation membership and approved by the Alberta Cabinet on September 9, 2010. This agreement was executed by the federal government on March 22, 2011.

The number of final agreements in 2010-11 was five at fiscal year end, meeting the business plan target and reflecting the Ministry's achievements in finalizing three additional agreements compared to last year's result. The number of fully implemented agreements remained at 15.

Data Source: Aboriginal Relations - Consultation and Land Claims Division, Land Claims Branch.

Contacts for Consultation

2.b Number of First Nations with a single point of contact for consultation

This measure is the number of First Nations with a single point of contact for consultation regarding the management and development of Crown land. The Ministry requires that First Nations identify a contact person as a condition for First Nations Consultation Capacity Investment Program (FNCCIP) funding. First Nations not accessing funding may also voluntarily identify a single point of contact.

Names of contacts for consultation purposes endorsed by the First Nation are provided by First Nations before being posted on the Ministry's website so that Project Proponents (such as industry stakeholders proposing projects) can initiate consultations with First Nations whose Rights and Traditional Uses may be adversely impacted by a proposed project.

The number of First Nations with a single point of contact increased from 44 in 2009-10 to 46 in 2010-11. This increase was due to the addition of the Peerless Trout First Nation and the Whitefish Lake First Nation in accessing the FNCCIP. The Peerless Trout First Nation was established in 2010 and the Ministry supported the First Nation in accessing FNCCIP funding and identifying their single point of contact for consultation. Following the election of a new Chief and Council, the Whitefish Lake First Nation resumed access to the FNCCIP after having been absent since 2006-07. The target of 40 for 2010-11 was set in 2009, based on results from 2006-07 (35), 2007-08 (42) and 2008-09 (40) that were available at that time.

The number of First Nations with a single point of contact can vary from year to year, depending on factors such as First Nation elections and other internal First Nation issues. In 2010-11, the Ministry continued its efforts to maintain and promote the profile of the program. Aboriginal Relations offered information on the FNCCIP to First Nations experiencing changes in governance to inform their decisions regarding access to the program.

Data Source: Aboriginal Relations - Consultation and Land Claims Division, Aboriginal Consultation Branch.

Ministry Expenses by Function

TABLE 1 » MINISTRY EXPENSES BY FUNCTION
For the year ended March 31, 2011
(IN THOUSANDS)

	2010-11 BUDGET	2010-11 ACTUAL	2009-10 ACTUAL
Regional Planning and Development	$ 152,529	$ 178,816	$ 144,269

Integrated Results Analysis

The consolidated budgets and financial statements of the Government of Alberta classify government expenses by function. An expense function is defined as a classification that identifies the principal purpose for which an expense is incurred, rather than the activity involved. For budget purposes, expenses are allocated to twelve functions: Health; Education; Social Services; Agriculture, Resource Management and Economic Development; Regional Planning and Development; Protection of Persons and Property; Transportation, Communications and Utilities; Environment; Recreation and Culture; Housing; General Government; Debt Servicing Costs.

The Ministry's expenses are allocated entirely to the Regional Planning and Development function of the Government of Alberta.

The table above is a comparison of the Ministry's 2010-11 actual expenses to the 2010-11 budget and the 2009-10 actual expenses.

The actual expenses for 2010-11 were $178.8 million, which was more than the budgeted amount of $152.5 million, resulting in a deficit of $26.3 million. The majority of the Ministry deficit can be attributed to land and legal settlements ($41 million), partly offset by lower First Nations Development Fund (FNDF) grant funding to reflect lower FNDF revenues ($14.2 million). The amount of grant funding that can be approved through FNDF is based on available revenues generated by casinos at host First Nations. In addition, the Ministry was able to reduce its targets levied by Alberta Treasury Board as part of the Government-wide value savings review by almost $0.5 million. This was achieved mostly through savings in employee salaries and benefits, attained by existing vacancies.

The Ministry expenses for 2010-11 were $34.5 million higher than in the previous year. The variance is attributed mainly to 2010-11 land and legal settlements ($41 million), partly offset by lower FNDF expenses compared to 2009-10 ($1.8 million) and decreased funding to First Nations Consultation and Land Claims, and Métis Relations ($4 million).

FINANCIAL INFORMATION

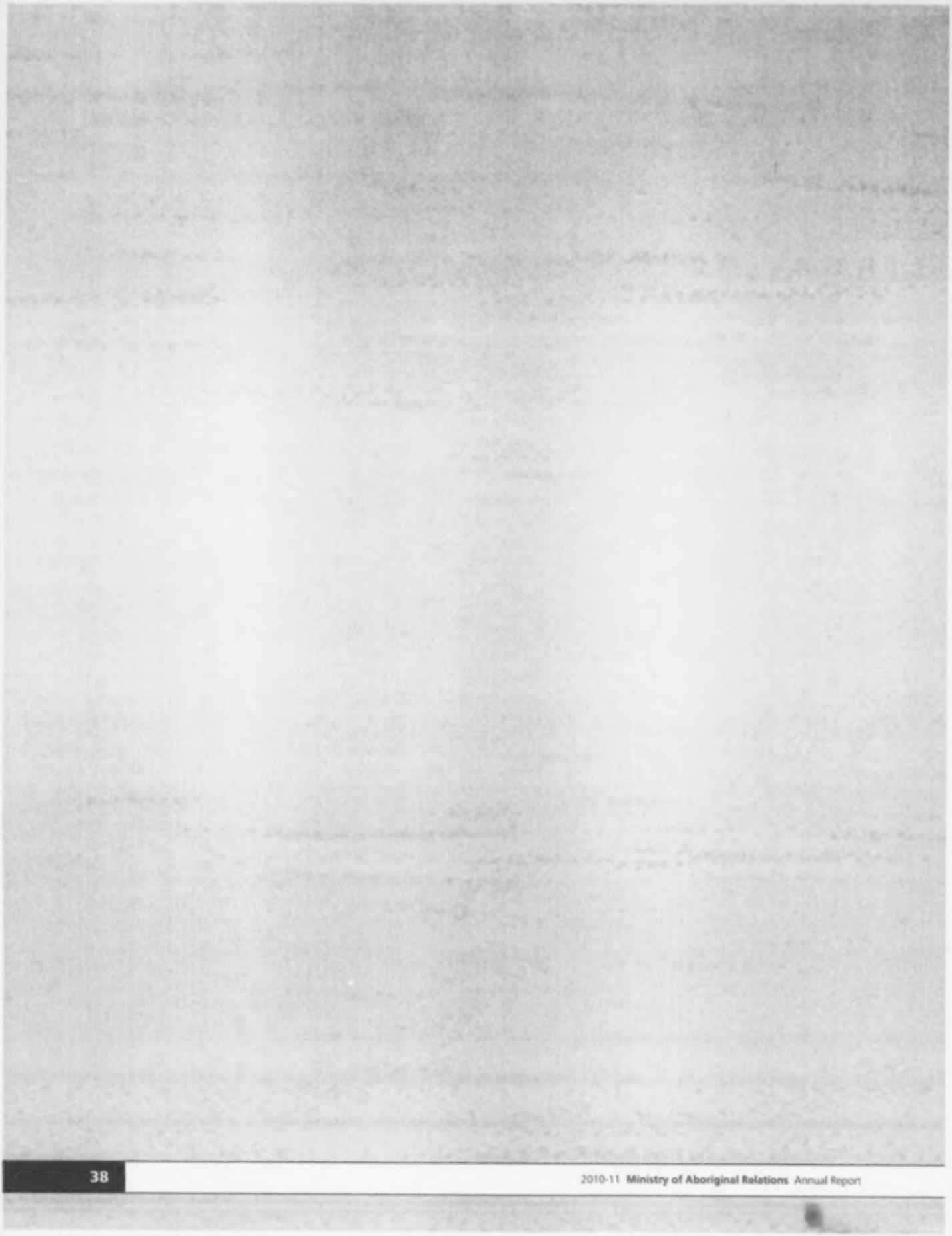


Table of Contents

Independent Auditor's Report 40

Financial Statements 41

Statement of Operations 41

Statement of Financial Position 42

Statement of Cash Flows 43

Notes to the Financial Statements 44

Schedules to the Financial Statements 50

Schedule 1. Revenues 50

Schedule 2. Expenses – Directly Incurred Detailed by Object 51

Schedule 3. Budget 52

Schedule 4. Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases (EIP) and Capital Investment and Statutory Expenses by Element to Authorized Budget 53

Schedule 5. Salary and Benefits Disclosure 55

Schedule 6. Related Party Transactions 56

Schedule 7. Allocated Costs 57

Independent Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying financial statements of the Ministry of Aboriginal Relations, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Aboriginal Relations as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[ORIGINAL SIGNED BY MERWAN N. SAHER, CA]

Auditor General
June 8, 2011
Edmonton, Alberta

Financial Statements

STATEMENT OF OPERATIONS

Year ended March 31, 2011

(IN THOUSANDS)

	2011		2010
	BUDGET (SCHEDULE 3)	ACTUAL	ACTUAL
Revenues (SCHEDULE 1)			
Internal Government Transfers	$ 118,200	$ 103,977	$ 105,768
Other Revenue	-	772	204
	118,200	104,749	105,972
Expenses - Directly Incurred (NOTE 2B AND SCHEDULE 7)			
Voted (SCHEDULES 2 AND 4)			
Ministry Support Services	$ 3,803	$ 3,396	$ 3,486
First Nations and Métis Relations	18,218	18,227	20,273
Métis Settlements Appeal Tribunal	1,119	1,084	1,067
First Nations Development Fund	118,000	103,765	105,576
Consultation and Land Claims	10,218	10,349	12,521
Policy and Planning	1,171	954	1,035
Land and Legal Settlements	-	41,040	60
	152,529	178,815	144,018
Statutory (SCHEDULES 2 AND 4)			
Valuation Adjustments			
Provision for Vacation Pay	-	1	251
	-	1	251
	152,529	178,816	144,269
Net Operating Results	$ (34,329)	$ (74,067)	$ (38,297)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2011

(IN THOUSANDS)

	2011	2010
ASSETS		
Accounts Receivable (NOTE 3)	$ 9,243	$ 29,183
Advances (NOTE 4)	-	200
Tangible Capital Assets (NOTE 5)	324	386
	$ 9,567	$ 29,769
LIABILITIES		
Accounts Payable and Accrued Liabilities (NOTE 6)	$ 48,995	$ 33,443
NET LIABILITIES		
Net Liabilities at Beginning of Year	(3,674)	(5,813)
Net Operating Results	(74,067)	(38,297)
Net Financing Provided from General Revenues	38,313	40,436
Net Liabilities at End of Year	(39,428)	(3,674)
	$ 9,567	$ 29,769

Contractual obligations and contingent liabilities (NOTES 7 AND 8)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2011

(IN THOUSANDS)

	2011	2010
Operating Transactions		
Net Operating Results	$ (74,067)	$ (38,297)
Non-cash items included in Net Operating Results		
Amortization	62	58
Valuation adjustments	1	251
	(74,004)	(37,988)
Decrease in Accounts Receivable	19,940	1,548
Increase (Decrease) in Accounts Payable and Accrued Liabilities	15,551	(4,025)
Cash Applied to Operating Transactions	(38,513)	(40,465)
Capital Transactions		
Acquisition of Tangible Capital Assets	-	(32)
Investing Transaction		
Decrease in Advances	200	10
Financing Transactions		
Net Financing Provided from General Revenues	38,313	40,436
Increase (Decrease) in Cash and Cash Equivalents	-	(51)
Cash and Cash Equivalents at Beginning of Year	-	51
Cash and Cash Equivalents at End of Year	$ -	$ -

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Aboriginal Relations operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Ministry is to lead in the development of government-wide strategies and policies to enhance capacity and well-being of Aboriginal people by building respectful relationships, collaborating and partnering with other ministries, Aboriginal governments and organizations, industry, other levels of government, and various stakeholders. The Ministry fulfills this role by focusing on the following two goals:

- Support economic and social development of Aboriginal communities and people.
- Alberta meets its constitutional and legal obligations regarding Aboriginal consultation and land claims.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared primarily in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Aboriginal Relations, for which the Minister of Aboriginal Relations is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations, for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

INTERNAL GOVERNMENT TRANSFERS

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Expenses

DIRECTLY INCURRED

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants are recorded as expenses when authorized and all eligibility criteria have been met.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which are the cost of employer contributions for current service of employees during the year.
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

INCURRED BY OTHERS

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 7.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Measurement Uncertainty

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

These financial statements include estimates for legal liabilities of $13,100 that are subject to measurement uncertainty. The estimates are based on legal assessments and standard support costs provided by Alberta Justice and Alberta Infrastructure.

The Ministry's liability could change substantially in the future, if factors considered by management in establishing the estimates were to change significantly.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3 ACCOUNTS RECEIVABLE

(in thousands)

	2011			2010
	GROSS AMOUNT	ALLOWANCE FOR DOUBTFUL ACCOUNTS	NET REALIZABLE VALUE	NET REALIZABLE VALUE
Accounts Receivable	$ 9,243	$ -	$ 9,243	$ 29,183

Accounts receivable are unsecured and non-interest bearing.

NOTE 4 ADVANCES

(in thousands)

	2011	2010
	NET REALIZABLE VALUE	NET REALIZABLE VALUE
Travel and Other Advances	$ -	$ 200

Advances were primarily for operational use for the Métis Settlements Ombudsman.

NOTE 5 TANGIBLE CAPITAL ASSETS

(in thousands)

	EQUIPMENT[a]	COMPUTER HARDWARE AND SOFTWARE	2011 TOTAL	2010 TOTAL
Estimated Useful Life	5 - 10 years	3 -10 years		
Historical Cost				
Beginning of year	$ 117	$ 452	$ 569	$ 537
Additions	-	-	-	32
Disposals, including write-down	-	(19)	(19)	-
	$ 117	$ 433	$ 550	$ 569
Accumulated Amortization				
Beginning of year	$ 46	$ 137	$ 183	$ 125
Amortization expense	14	48	62	58
Effect of disposals	-	(19)	(19)	-
	$ 60	$ 166	$ 226	$ 183
Net book value at March 31, 2011	$ 57	$ 267	$ 324	
Net book value at March 31, 2010	$ 71	$ 315		$ 386

[a] Equipment includes office equipment and furniture.

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

Accounts payable and accrued liabilities refer to supplies and services, manpower, grants, and legal settlements payable.

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2011	2010
Service Contracts	$ 527	$ 3,432
Grants	3,604	10,400
	$ 4,131	$ 13,832

Estimated payment requirements for each of the next five years are as follows:

	SERVICE CONTRACTS	GRANTS	TOTAL
2011-12	$ 524	$ 3,604	$ 4,128
2012-13	3	-	3
	$ 527	$ 3,604	$ 4,131

NOTE 8 CONTINGENT LIABILITIES

(in thousands)

As at March 31, 2011, the Ministry of Aboriginal Relations is a defendant in 33 legal claims (2010 – 34 legal claims) concerning Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Ministry and the Government of Canada, and in some cases involve third parties.

Fifteen of these claims have specified amounts totaling $142,884,950 and the remaining 18 have no specified amount (2010 – 17 claims with a specified amount of $144,984,950 and 17 with no specified amount). Included in the total legal claims are 26 claims amounting to $122,868,550 (2010 – 27 claims amounting to $124,968,550) in which the Ministry has been jointly named with other entities.

In addition, there are 4 claims (2010 – 3 claims) for treaty land entitlement for which Alberta may have an obligation under the *Natural Resources Transfer Agreement*.

The resulting loss, if any, from these claims cannot be determined.

NOTE 9 BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $1,387 for the year ended March 31, 2011 (2010 - $1,240).

At December 31, 2010, the Management Employees Pension Plan reported a deficiency of $397,087 (2009 – deficiency $483,199) and the Public Service Pension Plan reported a deficiency of $2,067,151 (2009 deficiency – $1,729,196). At December 31, 2010, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,559 (2009 – deficiency $39,516).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of $4,141 (2010 – deficiency $8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,020 (2010 – surplus $7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of Aboriginal Relations.

SCHEDULES TO THE FINANCIAL STATEMENTS

SCHEDULE 1

Revenues

Year ended March 31, 2011

(IN THOUSANDS)

	2011		2010
	BUDGET	ACTUAL	ACTUAL
Internal Government Transfers			
Transfers from the Lottery Fund	$ 118,200	$ 103,977	$ 105,768
Other Revenue			
Refund of Expenditure	-	771	152
Others	-	1	52
	-	772	204
Total Revenues	$ 118,200	$ 104,749	$ 105,972

SCHEDULE 2

Expenses - Directly Incurred Detailed by Object

Year ended March 31, 2011

(IN THOUSANDS)

	2011		2010
	BUDGET	ACTUAL	ACTUAL
Voted:			
Salaries, Wages and Employee Benefits	$ 11,398	$ 10,374	$ 9,986
Salaries, Wages and Employee Benefits from Support Service Arrangements with Related Parties[a]	1,484	1,370	1,385
Supplies and Services	3,183	2,800	3,135
Supplies and Services from Support Service Arrangements with Related Parties[a]	316	306	442
Grants	135,869	122,648	128,723
Land and Legal Settlements	-	41,040	60
Financial Transactions and Other	216	215	229
Amortization of Tangible Capital Assets	63	62	58
Total Voted Expenses	$ 152,529	$ 178,815	$ 144,018
Statutory:			
Valuation Adjustments			
Provision for Vacation Pay	-	1	251
	$ -	$ 1	$ 251

[a] The Ministry of Aboriginal Relations receives Information Management Technology, Freedom of Information and Protection of Privacy, Finance, Administration, and Human Resource Services from the Ministry of International and Intergovernmental Relations.

SCHEDULE 3

Budget

Year ended March 31, 2011

(IN THOUSANDS)

	2010-11 ESTIMATES	ADJUST-MENTS[a]	2010-11 BUDGET	AUTHORIZED SUPPLE-MENTARY[b]	2010-11 AUTHORIZED BUDGET
Revenues					
Internal Government Transfers	$ 118,200	$ -	$ 118,200	$ (8,000)	$ 110,200
	118,200	-	118,200	(8,000)	110,200
Expenses - Directly Incurred					
Voted Expenses					
Ministry Support Services	3,803	-	3,803	(150)	3,653
First Nations and Métis Relations	18,218	-	18,218	(150)	18,068
Métis Settlements Appeal Tribunal	1,119	-	1,119	-	1,119
First Nations Development Fund	118,000	-	118,000	(8,000)	110,000
Consultation and Land Claims	10,218	-	10,218	(125)	10,093
Policy and Planning	1,171	-	1,171	-	1,171
Land and Legal Settlements	-	-	-	41,000	41,000
	152,529	-	152,529	32,575	185,104
Statutory Expenses					
Valuation Adjustments					
Provision for Vacation Pay	-	-	-	-	-
Net Operating results	$ (34,329)	$ -	$ (34,329)	$ (40,575)	$ (74,904)
Equipment/Inventory Purchases	$ 25	$ -	$ 25	$ -	$ 25

[a] Internal reallocation of funding occurred after Estimates publication.

[b] Supplementary Estimates were approved on March 18, 2011.

SCHEDULE 4

Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases (EIP) and Capital Investment and Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2011

(IN THOUSANDS)

VOTED EXPENSE, EIP AND CAPITAL INVESTMENTS	2010-11 ESTIMATES	ADJUSTMENTS[a]	2010-11 BUDGET	AUTHORIZED SUPPLEMENTARY[b]	2010-11 AUTHORIZED BUDGET	2010-11 ACTUAL	UNEXPENDED (OVER EXPENDED)
1. Ministry Support Services							
1.0.1 Minister's Office	$ 540	$ -	$ 540	$ -	$ 540	$ 479	$ 61
1.0.2 Deputy Minister's Office	617	-	617	-	617	595	22
1.0.3 Communications	261	-	261	-	261	232	29
1.0.4 Corporate Services							
- Expense	2,180	-	2,180	(150)	2,030	1,897	133
- EIP	25	-	25	-	25	-	25
1.0.5 Cabinet Policy Committee	205	-	205	-	205	193	12
	$ 3,828	$ -	$ 3,828	$ (150)	$ 3,678	$ 3,396	$ 282
2. Aboriginal Relations and Consultation							
2.1 First Nations and Métis Relations							
2.1.1 Program Support	$ 835	$ 30	$ 865	$ (38)	$ 827	$ 757	$ 70
2.1.2 Aboriginal Economic Partnerships	4,025	(445)	3,580	(15)	3,565	3,356	209
2.1.3 First Nations Relations							
- Expense	2,895	170	3,065	(53)	3,012	3,249	(237)
- Expense Funded by Lotteries	200	-	200	-	200	200	-
2.1.4 Métis Relations	3,640	(20)	3,620	(34)	3,586	3,549	37
2.1.5 Métis Settlements Land Registry	458	47	505	(7)	498	492	6
2.1.6 Métis Settlements Ombudsman	645	203	848	-	848	1,174	(326)
2.1.7 Métis Settlements Transitional Funding	5,000	-	5,000	-	5,000	4,926	74
2.1.8 Aboriginal Community Initiatives	520	15	535	(3)	532	524	8
	$18,218	$ -	$18,218	$ (150)	$18,068	$ 18,227	$(159)

[a] Internal reallocation of funding occurred after Estimates publication.

[b] Supplementary Estimates were approved on March 18, 2011.

continued

SCHEDULE 4...continued

(IN THOUSANDS)

VOTED EXPENSE, EIP AND CAPITAL INVESTMENTS	2010-11 ESTIMATES	ADJUST-MENTS[a]	2010-11 BUDGET	AUTHORIZED SUPPLE-MENTARY[b]	2010-11 AUTHORIZED BUDGET	2010-11 ACTUAL	UNEXPENDED (OVER EXPENDED)
2.2 Métis Settlements Appeal Tribunal							
2.2.1 Métis Settlements Appeal Tribunal	$ 1,119	$ -	$ 1,119	$ -	$ 1,119	$ 1,084	$ 35
2.3 First Nations Development Fund							
2.3.1 First Nations Development Fund - Expense Funded by Lotteries	$118,000	$ -	$118,000	$ (8,000)	$110,000	$103,765	$6,235
2.4 Consultation and Land Claims							
2.4.1 Program Support	$ 743	$(140)	$ 603	$ -	$ 603	$ 519	$ 84
2.4.2 Land and Regulatory Issues	709	21	730	-	730	607	123
2.4.3 Resource Consultation and Traditional Use	8,766	119	8,885	(125)	8,760	9,223	(463)
	$ 10,218	$ -	$ 10,218	$ (125)	$ 10,093	$ 10,349	$ (256)
2.5 Policy and Planning							
2.5.1 Policy and Planning	$ 1,171	$ -	$ 1,171	$ -	$ 1,171	$ 954	$ 217
2.6 Land and Legal Settlements							
2.6.1 Land and Legal Settlements	$ -	$ -	$ -	$41,000	$ 41,000	$ 41,040	$ (40)
Operating Expense	$ 34,329	$ -	$ 34,329	$40,575	$ 74,904	$ 74,850	$ 54
Expense Funded by Lotteries	118,200	-	118,200	(8,000)	110,200	103,965	6,235
Equipment/Inventory Purchases	25	-	25	-	25	-	25
	$152,554	$ -	$152,554	$32,575	$185,129	$178,815	$6,314
Statutory Expenses:							
Valuation Adjustments	$ -	$ -	$ -	$ -	$ -	$ 1	$ (1)
	$ -	$ -	$ -	$ -	$ -	$ 1	$ (1)

[a] Internal reallocation of funding occurred after Estimates publication.

[b] Supplementary Estimates were approved on March 18, 2011.

SCHEDULE 5

Salary and Benefits Disclosure

Year ended March 31, 2011

	2011				2010
	BASE SALARY[1]	OTHER CASH BENEFITS[2]	OTHER NON-CASH BENEFITS[3]	TOTAL	TOTAL RESTATED[4]
Deputy Minister[5]	$ 264,576	$ 1,750	$ 62,678	$ 329,004	$ 325,839
Executives					
Assistant Deputy Minister - First Nations and Métis Relations	185,472	1,750	45,432	232,654	230,504
Assistant Deputy Minister - Consultation and Land Claims[6]	230,063	1,750	8,321	240,134	239,359
Assistant Deputy Minister - Corporate Services[6]	168,888	8,221	41,524	218,633	216,021
Executive Director - Policy and Planning	137,256	1,750	33,614	172,620	170,141

Total salary and benefits relating to a position are disclosed.
Schedule prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular base pay.

[2] Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2011.

[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

[4] Professional membership covered by the Ministry of Justice and Attorney General. The 2010 comparatives have been revised to include professional memberships paid by the other ministry.

[5] Automobile provided, no dollar amount included in other non-cash benefits.

[6] The incumbent's services are shared with the Ministry of International and Intergovernmental Relations, which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

SCHEDULE 6

Related Party Transactions

Year Ended March 31, 2011

(IN THOUSANDS)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2011	2010
Revenues		
Grants from Alberta Gaming and Liquor Commission	$ 103,977	$ 105,768
Expenses – Directly Incurred		
Supplies and services provided by other ministries	$ 89	$ 74
Receivable from Alberta Gaming and Liquor Commission	$ 8,870	$ 29,183
Payable to other ministries	$ 2	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 7.

	2011	2010
Expenses – Incurred by Others:		
Accommodation	$ 782	$ 700
Legal services	1,169	1,016
Air transportation	20	84
Business services & other	741	783
	$ 2,712	$ 2,583

SCHEDULE 7

Allocated Costs

Year ended March 31, 2011

(IN THOUSANDS)

	2011							2010
	EXPENSES-INCURRED BY OTHERS					VALUATION ADJUSTMENTS		
PROGRAM	EXPENSES[1]	ACCOM-MODATION COSTS[2]	LEGAL SERVICES[3]	AIR TRANS-PORTATION[4]	BUSINESS SERVICES & OTHER[5]	VACATION PAY	TOTAL EXPENSES	TOTAL EXPENSES
Ministry Support Services	$ 3,396	$ 20	$ 282	$ -	$ 84	$ (18)	$ 3,764	$ 3,783
First Nations and Métis Relations	18,227	311	375	10	321	(23)	19,221	21,397
Métis Settlements Appeal Tribunal	1,084	267	-	-	53	1	1,405	1,255
First Nations Development Fund	103,765	41	-	-	69	16	103,891	105,724
Consultation and Land Claims	10,349	106	512	10	153	(9)	11,121	13,453
Policy and Planning	954	37	-	-	61	34	1,086	1,180
Land and Legal Settlements	41,040	-	-	-	-	-	41,040	60
	$178,815	$ 782	$1,169	$ 20	$ 741	$ 1	$181,528	$146,852

[1] Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[2] Costs shown for Accommodation on Schedule 6, allocated by square footage.

[3] Costs shown for Legal services on Schedule 6, allocated by estimated costs incurred by each program.

[4] Air transportation costs based on 50/50 split.

[5] Other costs include Service Alberta and Treasury Board expenses not billed.

Aboriginal Relations

Annual Report
2010-2011

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